

THE LEONARD LETTER

A weekly electronic newsletter

Bill Leonard, Member

State Board of Equalization

March 22, 2004

"You were given the choice between war and dishonor. You chose dishonor and you will have war." Winston Churchill's remark after Chamberlain returned from signing the Munich pact with Hitler

UNDER THE DOME

*****Keeping the Lawyers Comfy*****

The Auditor General rightly criticized the Department of Corrections last week for a lousy report on the future of death row at San Quentin prison. The work was so sloppy that a proper analysis could not be rendered. The untold story is that the Department of Corrections is under tremendous pressure to keep death row where it is. Given the crowded conditions at San Quentin and the expensive housing nearby, the pressure for the status quo is not coming from the state employees at the prison, nor from the prisoners families. No, the pressure is from lawyers, and not just any lawyers. The members of the speciality bar that defend death row prisoners all live in the Bay area and all would be disrupted if the death chamber was moved to a less crowded and more secure location in California. For more than a decade now this threatened disruption of lifestyle of a few dozen lawyers has kept the state from making needed changes.

*****Governator Overheard*****

Governor Schwarzenegger, in welcoming farmers to Sacramento to discuss important agriculture issues, informed them that they have a lot in common. He said, "We both shovel a lot of manure."

*****New Boxes for Popcorn*****

Seeking to undermine Governor Schwarzenegger's program to "blow up boxes" and make state government more efficient and more accessible to the public is a group that would add a new box over the Board of Equalization. They call it a Tax Court although it appears that the decision-makers will not be judges nor will it exactly be a court. The promoters of this scheme include major corporations who lost their tax cases before the

Board of Equalization. One is the lawyer for the infamous "popcorn is not hot" case that I profiled a few weeks ago. I guess they want to shop their case from forum to forum until they find someone who will agree with them that movie theater popcorn is not hot food.

ISSUE FOCUS

*****Salvageable Timber Should Be Considered State Asset*****

In an almost unbelievable Los Angeles Times story on Friday, it was revealed that the state is taking extraordinary measures to keep people from salvaging trees from state parks that fall into rivers and float out of the parks. One park ranger admitted to donning a wet suit to sneak up on salvage boats. This is utterly ridiculous. One local resident said seasonal high water takes nearly all the floating logs straight out to the ocean for the benefit of no one. Thus, state policy encourages the wasting of a valuable resource. Many of these logs are worth tens of thousands of dollars.

I say when it is clear that a tree is going to fall down in the park itself, it should be selectively salvaged for the benefit of local economy with the proceeds providing a new revenue stream for the state parks. Logs in the rivers and streams in the parks should be evaluated for their usefulness for habitat. If no good use can be found, they should be salvaged. And finally, the logs that get away from parks via rivers should be considered God's bounty for enterprising Californians to make good use of as they see fit.

MISCELLANY

*****FTB Taxpayer Advocate Not Easy to Reach*****

I noticed in a recent publication about tax advocacy that the Board of Equalization's Taxpayer Rights Advocate Office is listed with a phone number for directly contacting our advocates (888-324-2798). However, the FTB's Taxpayer Advocate Bureau only lists a web address and a fax number (916-845-6614). I went to the FTB web site and clicked on Taxpayer Advocate. It turns out that if you need help from FTB's Taxpayer Advocate, you must fill out a form and send it to FTB and wait for them to get back to you. This illustrates the difference between a government entity that is accountable directly to the voters, like the BoE, and one that is not. The Franchise Tax Board must be made more accountable and available to taxpayers.

*****Seeking Success*****

The California Chamber of Commerce wants to know if you have a business success story. The Chamber is offering prizes, including a grand prize of \$5,000 for stories about how businesses have weathered our state's economic storm. If you have emerged stronger and more resilient, the Chamber wants to know about it. The entry form asks businesspeople to tell how they met their challenge and asks for advice for small businesspeople who may still be going through tough times. I look forward to learning about the winners and celebrating the success of California entrepreneurs. To enter, visit <http://www.calchamber.com/successstories/>

BOE AND LEGISLATIVE DATES

March 23, 2004 --- Board of Equalization meets in Sacramento

April 1, 2004 --- Legislature's spring (formerly Easter) recess begins upon adjournment

April 12, 2004 --- Legislature reconvenes

April 13, 2004 --- Board of Equalization meets in Sacramento

April 15, 2004 --- Last day for policy committees to hear and report fiscal bills

May 7, 2004 --- Last day for policy committees to hear and report non-fiscal bills

NOTABLE DATES/ HISTORY

March 22, 1765 --- Stamp Act passed: first direct British tax on colonists; it was repealed on March 17, 1766.

March 23, 1775 --- American revolutionary Patrick Henry declared, "Give me liberty, or give me death!"

March 23, 1806 --- Explorers Lewis and Clark began their return journey to the east after reaching the Pacific Coast.

March 23, 1868 --- University of California founded (Oakland, CA)

March 25 1813 --- First U.S. flag flown in battle on the Pacific, frigate Essex

March 26, 1979 --- Camp David peace treaty between Israel & Egypt

March 27, 1513 --- Spanish explorer Juan Ponce de León sights Florida

March 27, 1866 --- President Johnson vetoes civil rights bill; it later becomes 14th Amendment

March 27, 1912 --- First Japanese cherry blossom trees planted in Washington, D.C.

March 27, 1945 --- General Eisenhower declares German defenses on Western Front broken

March 28, 1834 --- Senate censure of President Jackson for taking federal deposits from Bank of U.S.

GENERAL TAX INFORMATION

For answers to your general tax questions, call the Board of Equalization information center. Customer service representatives are available to help you from 8:00 a.m. to 5:00 p.m. Pacific time, Monday through Friday (except state holidays).

Toll-free number: 800-400-7115
TDD service for the hearing impaired
TDD phones: 800-735-2929
Voice phones: 800-735-2922

To reach the Taxpayer Rights Advocate's office, call toll-free 1-888-324-2798.

HOW TO CONTACT ME

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